of its plants with a view to increase their competitiveness and efficiency. Measures taken to improve the performance of RSP include.

(i) Modernisation of Rourkela Steel Plant.

(ii) Intensive cost control drive resulting in saving of about Rs.90 crores in 1997-98 & Rs.209 crores in 1998-99.

(iii) Introduction of Voluntary Retirement Scheme (VRS) for employees in 1998 and 1999 resulting in separation of 3343 employees.

(iv) Market oriented production and product-mix

(v) Improvement in techno-economic parameters such as fuel and power consumption.

(vi) Inventory Reduction by Rs.73 crores in 1998-99.

Losses Suffered by Sail

407. SHRI PREM CHAND GUPTA: Will the Minister of STEEL be pleased to state:

(a) Whether it is a fact that SAIL has recorded a loss of Rs.2049 crores during the first 9 months of the current year;

(b) whether this amounts to a massive increase of 156 per cent over Rs.890.2 crores loss last year; and

(c) if so, what are the Government's views on this?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) and (b) Yes, sir. The increase in the loss for the first 9 months of the current year is by 130 per cent over the corresponding period of the last year.

(b) Government has recently approved a plan for business and financial restructuring of SAIL with a view to increase its competitiveness and to turn the company on to a path of profitability.

Fund Crunch in Vizag Steel Company

408. SHRI YADLAPATI VENKAT RAO: Will the Minister of STEEL be pleased to state:

(a) Whether fund crunch has compelled the vizag steel company to drop one steel melting shop and one of the rolling mills; and

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†Original notice of (he Question was received in Hindi.